120.81 DEFINITIONS: GENERAL PROVISIONS

120.81 Minnesota educational computing consortium, receipts.

[For text of subd 1, see M.S.1978]

Subd. 2. Notwithstanding the provisions of subdivision 1, the consortium is authorized to maintain a revolving fund for all receipts derived from computer services provided by the consortium. The Minnesota educational computing consortium shall charge users of consortium facilities for on-line computer time actually used. Receipts shall be deposited in the Minnesota educational computing consortium revolving fund and are appropriated to the consortium. The consortium board shall appoint an executive director who shall be its chief administrative officer. The executive director may be in the unclassified service. All other employees are in the classified service of the state.

[1979 c 335 s 11]

120.83 Purchase of annuities for employees.

Subdivision 1. At the request of an employee, the consortium board may negotiate and purchase an individual annuity contract from a company licensed to do business in the state of Minnesota for an employee for retirement or other purposes and may allocate a portion of the compensation otherwise payable to the employee as salary for the purpose of paying the entire premium due or to become due under such contract. The allocation shall be made in a manner which will qualify the annuity premiums, or a portion thereof, for the benefit afforded under section 403(b) of the current Federal Internal Revenue Code or any equivalent provision of subsequent federal income tax law. The employee shall own such contract and his rights thereunder shall be nonforfeitable except for failure to pay premiums.

Subd. 2. All amounts so allocated shall be deposited in an annuity account, which is established in the state treasury. There is annually appropriated from the annuity account in the state treasury to the board all moneys deposited therein for the payment of annuity premiums when due or for other application in accordance with the salary agreement entered into between the employee and the board. The moneys in the annuity account in the state treasury are not subject to the budget, allotment, and encumbrance system provided for in chapter 16, and any act amendatory thereof.

[1979 c 335 s 12]

CHAPTER 121. ADMINISTRATION AND SUPERVISION

Sec.		Sec.	
121.21	Area vocational-technical schools.	121.904	Revenue; reporting.
121.217	Vocational-technical institutes; approval of	121.912	Permanent fund transfers.
	new or changed programs of instruction.	121.917	Expenditure limitations.
121.49	Itemization of amount of aid to districts.	121.92	Mandatory utilization of computer systems;
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121.21 Area vocational-technical schools.

[For text of subds 1 to 4a, see M.S.1978]

Subd. 6. The state board for vocational education shall promulgate, pursuant to chapter 15, such rules governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education. Rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference.

The rules shall provide for, but are not limited to, the following:

- (a) The area to be served by each school, which may include one or more districts or parts thereof;
 - (b) Curriculum and standards of instruction and scholarship;
 - (c) Attendance requirements and Minnesota non-resident attendance;

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- (d) The distribution and apportionment to the local districts of all funds, whether state or federal or other funds, which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical education in accordance with law; and
 - (e) General administrative matters.

[For text of subd 8, see M.S.1978]

[1979 c 334 art 5 s 1]

121.217 Vocational-technical institutes; approval of new or changed programs of instruction

The state board for vocational education shall approve or disapprove a plan or proposal for a new or additional program of instruction or a substantial change in an existing program of instruction to be established in or offered by an area vocational-technical institute within 45 days of submission of the plan or proposal to the board by the director of an area vocational-technical institute.

Upon receipt of the plan or proposal the board shall transmit a copy to the higher education coordinating board.

- (1) If the plan or proposal is disapproved, the board shall transmit a written explanation of the decision to the director of the applying area vocational-technical institute and the higher education coordinating board within five days of the decision.
- (2) If the plan or proposal is approved, the board shall notify the director of the applying area vocational-technical institute and shall transmit the approval to the higher education coordinating board within five days of the decision.

[1979 c 179 s 1]

121.49 Itemization of amount of aid to districts.

Subdivision 1. The department of education shall itemize for each school district in the state the total amount of money and the amount of money per pupil unit which accrues to the district for each fiscal year from each type of state and federal aid, refund, payment, credit, disbursement or monetary obligation of any kind, including but not limited to each special state aid, emergency aid, payments in lieu of taxes, and pension and retirement obligations for the benefit of personnel of the district. State agencies which have information necessary for the itemization required by this section shall provide the information to the department of education. The completed itemizations shall be reported to the appropriate standing committees of the legislature in convenient reference form not later than December 1 following the year for which they are made.

Subd. 2. If the report required for the 1979-1980 school year and each year thereafter is not received by the appropriate standing committees of the legislature by June 30 in the fiscal year following the fiscal year for which the report is made, the commissioner of education and the department of education shall not be authorized to expend any funds for any purpose, other than the distribution of aids to school districts, until the report is received.

[1979 c 334 art 6 s 3]

121.495 Basic skills program.

Subdivision 1. **Purpose.** The legislature finds that (1) all children have the right to achieve their full educational potential, and (2) children from all socio-economic backgrounds deserve the opportunity to receive instruction in the basic skills of listening, speaking, reading, writing and computation in order to be able to function politically economically and socially in a democratic society. Therefore, the purpose of this section is to establish a program providing leadership, technical assistance, and training in basic skills instruction on a regional basis to school districts and nonpublic schools.

Subd. 2. **Definition.** For purposes of this section, "basic skills" means the abilities to listen, speak, read, write and compute.

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- Subd. 3. Participation. Any district or nonpublic school may participate in the state basic skills program if its governing board adopts a resolution affirming basic skills as a priority, designating a local basic skills director, allowing the designated local basic skills director to attend a program of training in the development and maintenance of a high quality basic skills program, and agreeing to develop a comprehensive basic skills program in accordance with this training. If more districts or nonpublic schools apply than can be served in a particular year, the commissioner shall select participating districts and nonpublic schools. A school district or nonpublic school which participates in the state basic skills program may establish a basic skills advisory committee to assist it in establishing and maintaining a basic skills program. A school district may designate the curriculum advisory committee established pursuant to section 123.741, subdivision 3, as the basic skills advisory committee.
- Subd. 4. Regional directors. The commissioner shall establish a basic skills section in the department which shall employ a state basic skills director and regional basic skills directors assigned to serve the various educational cooperative service units or portions of those units. The basic skills section shall provide technical assistance to those school districts and nonpublic schools which choose to participate in the state basic skills program. The regional directors, in cooperation with the educational cooperative service units, shall provide training to each local basic skills director in the development and maintenance of high quality basic skills programs according to predetermined criteria of excellence. This technical assistance and training shall cover at least the following: assessment of local basic skills programs, planning a comprehensive basic skills program, alternative methods of implementing a local basic skills program, in-service training of staff in basic skills instruction, assessment of the basic skills needs of pupils, selection of instructional materials, and evaluation of pupils' progress in acquiring basic skills. The department shall reimburse local basic skills directors for any expenses incurred for travel, lodging and meals in order to participate in basic skills training and shall reimburse school districts for 50 percent of any wages paid to substitute teachers employed to replace local basic skills directors while they attend basic skills training.
- Subd. 5. **In-service training.** Each participating district or nonpublic school shall provide a minimum of 20 hours of in-service training in the instructional process for the basic skills to all teachers who volunteer to participate in the training.
- Subd. 6. Report. Before January 15, 1981 the commissioner of education shall make a report to the education committees of the legislature describing and evaluating the state basic skills program.

[1979 c 334 art 6 s 4]

121.904 Revenue; reporting.

[For text of subds 1 to 11a, see M.S.1978]

Subd. 11b. (1) Each district affected by the provisions of subdivision 11a shall account for and expend according to the provisions of this subdivision the total amount by which its 1976 payable 1977 and its 1977 payable 1978 permissible levies pursuant to section 275.125 were reduced on account of payments pursuant to sections 294.21 or 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.39 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties. Notwithstanding the provisions of section 124.212, subdivision 8a, clause (2) and the provisions of section 275.125, subdivision 9, clause (2) or any other law to the contrary, this total amount shall not be applied to reduce the foundation aid which the district is entitled to receive pursuant to section 124.212 or again be applied to reduce the permissible levies of the district.

(2) The lesser of the amount in (1) or an amount equal to \$200 times the pupil units in the district computed pursuant to section 124.17 for the 1977-1978 school year shall be reflected in an "appropriated fund balance reserve account for current use of taconite payments" which shall be established in the general fund. Each school year, beginning in 1978-1979, each affected district shall transfer an amount equal to \$20 times the number of pupil units in the district in 1977-1978 out of this account into other oper-

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ating accounts in the general fund, until the amount transferred equals the amount originally reflected in the reserve account; provided that in the last year in which the district is required to make this transfer, it shall transfer the balance of the reserve account, not to exceed an amount equal to \$20 times the number of pupil units in the district in 1977-1978. Notwithstanding the provisions of section 121.917, each affected district may use the amount so transferred each year to increase its expenditures above the amount it would otherwise be authorized to expend in that school year.

- (3) Of the amount in (1), any amount not reflected in the account established pursuant to clause (2) shall be reflected in the district's appropriated fund balance reserve account for purposes of reducing statutory operating debt, if the district has established this account pursuant to section 275.125, subdivision 9a. The June 30, 1977 statutory operating debt of the district shall be reduced by the amount so reflected and shall be recertified accordingly by the commissioner.
- (4) Notwithstanding the provisions of section 121.912, any portion of the amount in (1) remaining after the application of clauses (2) and (3) shall be transferred to the district's capital expenditure fund; provided that before July 1, 1979 not exceeding \$75,000 of the amount transferred to the capital expenditure fund pursuant to this clause may be transferred to the district's general fund.

[For text of subds 12 to 14, see M.S.1978]

[1979 c 303 art 10 s 3]

121.912 Permanent fund transfers.

Subdivision 1. After July 1, 1977, no school district shall permanently transfer money from an operating fund to a nonoperating fund except as provided in this subdivision. Permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. Permanent transfers may be made from the general fund to the capital expenditure fund of a post-secondary vocational-technical school in the amount and for the purposes authorized by the state board for vocational education in approving the school's budget pursuant to section 124.561; provided, the state board shall not approve any permanent transfer for the purpose of an acquisition or betterment of lands or buildings or a capital improvement which requires the expenditure of an amount equal to or greater than \$50,000, which changes the perimeter walls of an existing facility, which adds more than 1,000 square feet to a post-secondary vocational facility, or which requires the issuance of school district bonds; provided further, the state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.

[For text of subd 2, see M.S.1978]

[1979 c 334 art 5 s 2]

121.917 Expenditure limitations.

[For text of subds 1 to 3, see M.S.1978]

Subd. 4. (1) If the net negative unappropriated fund balance in all the funds of a school district, other than statutory operating debt pursuant to section 121.914, capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting system for Minnesota school districts, as of June 30, 1980, and each year thereafter, is more than 2-1/2 percent of the year's expenditure amount, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner of education for his approval.

Notwithstanding any other law to the contrary, a district submitting a special operating plan to the commissioner under this clause which is disapproved by the commis-

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sioner shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(2) A district shall receive aids pending the approval of its special operating plan under clause (1). A district which complies with its approved operating plan shall receive aids as long as the district continues to comply with the approved operating plan.

[1979 c 334 art 6 s 5]

121.92 Mandatory utilization of computer systems; appeal.

[For text of subd 1, see M.S.1978]

Subd. 2. After July 1, 1980, participation in a computer based financial management accounting and reporting system shall be mandatory. The form of this participation shall be determined as provided in section 16.93.

[1979 c 334 art 6 s 6]

CHAPTER 122. SCHOOL DISTRICTS, FORMATION AND ALTERATION

122.41 Policy. 122.531 Levy limitations of reorganized distri	tricts.
122.43 Dissolution of districts not a part of inde-	
pendent districts. 122.85 Experimental pairing.	
122.44 Attachment to organized districts; proce-	

122.41 Policy.

It is hereby declared to be the policy of the state to encourage the organization of school districts into such local units of administration as will afford better educational opportunities for all pupils, make possible a more economical and efficient operation of the schools and insure a more equitable distribution of public school revenue. To this end all area of the state shall be included in an independent or special school district maintaining classified elementary and secondary schools, grades one through twelve, unless a district has made an agreement with another district or districts as provided in section 122.541.

[1979 c 211 s 1]

122.43 Dissolution of districts not a part of independent districts.

Subdivision 1. If there be any organized school district not a part of an independent school district maintaining classified elementary and secondary schools, grades one through twelve, unless the district has made an agreement with another district or districts as provided in section 122.541, such district shall hereby be dissolved.

[For text of subd 2, see M.S.1978]

[1979 c 211 s 2]

122.44 Attachment to organized districts; procedure.

Subdivision 1. Upon notice and hearing, as provided in section 122.22 for the attachment of dissolved districts, all territory of school districts dissolved by sections 122.41 to 122.52 and all area of the state not in a district maintaining classified elementary and secondary schools shall be attached by order of the county board to organized districts maintaining classified elementary and secondary schools, grades one through twelve, unless a district has made an agreement with another district or districts as provided in section 122.541.

[1979 c 211 s 3]